ELSA U. PARDEE FOUNDATION

2013 ANNUAL REPORT

Fighting Cancer Every Day
OFFICERS AND TRUSTEES

Gail E. Lanphear ......................................................... President
Lisa J. Gerstacker ........................................... Vice President, Asst. Treasurer
Mary M. Neely ................................................................. Secretary
Alan W. Ott ................................................................. Treasurer
W. James Allen ............................................................. Asst. Treasurer, Asst. Secretary
Laurie G. Bouwman ......................................................... Trustee
William C. Lauderbach ..................................................... Trustee
Bill Schuette ................................................................. Trustee
Michael Woolhiser ......................................................... Trustee
Kathy McDonald, Staff Assistant

THE MEDICAL COMMITTEE

Michael Woolhiser, Ph.D. (Chairman)
Darrell R. Boverhof, Ph.D.
Brian B. Gourlie, Ph.D.
Matthew J. LeBaron, Ph.D.
Patricia LoRusso, D.O.
Ahmed Abdel Maksoud, M.D.
Rosalyn M. Sweeting, Ph.D.
David H. Swenson, Ph.D.*
Bing Yang, Ph.D.

*Retired from the Medical Committee effective April 18, 2013

PURPOSE OF THE FOUNDATION

The Elsa U. Pardee Foundation was established in 1944 under the terms of the will of its namesake, whose life was taken by cancer on October 2, 1944. Mrs. Pardee provided a $1,000,000 trust fund “for the promotion of the control and cure of cancer.” She directed that this bequest be used to support research in the field of cancer and to provide for others the advantages of knowledge and techniques still undiscovered in the treatment of cancer.
It has been a productive year for the Pardee Foundation. The Foundation’s trustees, Medical Committee and six Pardee Cancer Treatment Fund staff and volunteers provided dedicated service on behalf of victims of cancer in 2013. Total funds granted by the foundation in 2013 were $4.9 million. Of that, $2.5 million was distributed for research projects.

This year, the number of research grant proposals submitted increased by 189 to 349. A total of 16 grants to outstanding scientific institutions across the country were funded. In addition, $191,000 was approved to support education initiatives.

The six Pardee Treatment Funds’ staff and boards provided funding for 684 cancer patients in 2013. The average amount spent per individual was $1,968. In recognition of the countless hours contributed by staff and volunteers, a luncheon was held in their honor by the Pardee trustees.

Laurie Bouwman was elected to the office of assistant secretary at the December 2013 Trustees’ meeting. Ms. Bouwman has been a trustee for six years. She is a Pardee family member and we welcome and appreciate Laurie for taking on this role.

Recently retired trustee, David Swenson, was honored in 2013 by the board for his 12 years of outstanding service to the Medical Review Committee, including a term as chair. Also honored was Lucille Dougherty, administrative assistant, who retired in March after 30 years of stellar service to the foundation.

Special appreciation is due the Pardee trustees, staff and volunteers who have successfully joined their efforts on behalf of cancer victims across the country. I am deeply grateful for their generous donation of time and expertise. It is my great privilege to work with this dedicated group.

Sincerely,

Gail E. Lanphear
President
## Grants Made By The Foundation For the Year Ended December 31, 2013

<table>
<thead>
<tr>
<th>Recipient and Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boise State University – For the study of NulloPs peptides treatment of cancer</td>
<td>$100,000</td>
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<tr>
<td>University of Colorado – For the study of the erbB3-targeting miRNA5 in breast cancer chemotherapy</td>
<td>125,000</td>
</tr>
<tr>
<td>Dana-Farber Cancer Institute – For the study of microenvironment-induced drug resistance of breast cancer in the metastatic niche</td>
<td>150,000</td>
</tr>
<tr>
<td>Emory University – For the study of CHFRas novel drug target to overcome taxane resistance in cancer</td>
<td>125,000</td>
</tr>
<tr>
<td>Fred Hutchinson Cancer Center – For the study of in-vivo programming of anti-cancer T-cells ‘on demand’</td>
<td>175,000</td>
</tr>
<tr>
<td>Indiana University – For the study of targeting PRL2 in acute myeloid leukemia</td>
<td>125,000</td>
</tr>
<tr>
<td>Mayo Clinic – For the study of tumor clonal evolution in melanoma progression</td>
<td>187,021</td>
</tr>
<tr>
<td>University of Michigan – For the study of molecular mechanisms of bladder tumorigenesis ($125,315); for the study of amplifying NOTCH1 signals in T-cell leukemia ($97,180); for the study of ultra-high sensitivity minimal residual disease detection in acute myelogenous leukemia ($126,868); for support of a medical oncology fellowship training program ($100,000)</td>
<td>449,363</td>
</tr>
<tr>
<td>University of Pennsylvania – For the study of elucidating links between metabolism and epigenetics in prostate cancer</td>
<td>149,808</td>
</tr>
<tr>
<td>Stanford University – For the study of a long-non coding RNA involved in the pathogenesis of Ewing’s Sarcoma</td>
<td>200,000</td>
</tr>
<tr>
<td>Utah Valley University – For the study of high frequency ultrasound for real-time pathology during breast cancer surgery</td>
<td>81,018</td>
</tr>
<tr>
<td>Washington University – For the study of E3 ubiquitin ligases in glioblastoma cancer stem cell function ($115,761); for the study of magnetic resonance imaging and tracking of melanoma exosomes ($223,199); for the study of rational therapeutic targets in tumor dormancy ($148,619)</td>
<td>487,579</td>
</tr>
<tr>
<td>MidMichigan Medical Center – For continuation of the cancer registry ($75,000); for the memorial lectureship program ($6,500)</td>
<td>81,500</td>
</tr>
<tr>
<td>Pardee Cancer Treatment Association of Greater Brazosport, TX – For a program supporting the cure and control of cancer</td>
<td>50,000</td>
</tr>
<tr>
<td>Pardee Cancer Treatment Fund of Bay County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Bay County</td>
<td>150,000</td>
</tr>
</tbody>
</table>
Pardee Cancer Treatment Fund of Clare County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Clare County $150,000

Pardee Cancer Treatment Fund of Gratiot County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Gratiot County $175,000

Pardee Cancer Treatment Fund of Isabella County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Isabella County $200,000

Pardee Cancer Treatment Fund of Midland/Gladwin – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Fund $1,800,000

Council of Michigan Foundations 9,700

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Grants</td>
<td>$4,970,989</td>
</tr>
<tr>
<td>Grant funds returned</td>
<td>(63,492)</td>
</tr>
<tr>
<td>Administrative expense</td>
<td>244,674</td>
</tr>
<tr>
<td>Federal Excise Tax</td>
<td>254,000</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>15,273</td>
</tr>
<tr>
<td>TOTAL DISBURSEMENTS</td>
<td>$5,421,444</td>
</tr>
</tbody>
</table>
# ELSA U. PARDEE FOUNDATION
## Midland, Michigan

### Statement of Assets, Liabilities and Net Assets – Modified Cash Basis

**December 31, 2013**

#### Assets
- **Cash and cash equivalents**: $28,459,923
- Marketable securities (at fair market value):
  - Stocks: 40,589,530
  - Corporate bonds: 6,941,068
  - Foreign bonds: 362,440
  - Government bonds: 12,210,221
  - Mutual funds: 1,104,832
- **Total marketable securities**: 61,208,091
- Limited partnerships: 441,599
- **Total assets**: $90,109,613

#### Liabilities
- **Federal excise tax payable**: $124,965
- **Total liabilities**: 124,965

#### Unrestricted net assets
- 89,984,648
- **Total liabilities and unrestricted net assets**: $90,109,613

### Statement of Revenue, Expenses, and Changes in Net Assets – Modified Cash Basis

**Year ended December 31, 2013**

#### Revenues and gains (losses)
- **Interest**: $608,582
- **Dividends**: 1,627,291
- Net realized and unrealized gain on investments: 11,245,688
- Losses from limited partnerships: (33,653)
- **Total revenue and gains (losses)**: 13,447,908

#### Grants
- **Grants authorized**:
  - Grant payments made: 4,970,989
  - Grant funds returned: (63,492)
  - Decrease in grants authorized but unpaid: (400,000)
- **Total grants**: 4,507,497

#### Other expenses
- **Administrative**: 234,974
- **Federal excise taxes**: 254,000
- **Other taxes**: 15,273
- **Total other expenses**: 504,247
- **Total grants and other expenses**: 5,011,744
- **Increase in unrestricted net assets**: 8,436,164
- **Unrestricted net assets at beginning of period**: 81,548,484
- **Unrestricted net assets at end of period**: $89,984,648
The Elsa U. Pardee Foundation operates under the laws of the State of Michigan, with headquarters in Midland, Michigan. Since its establishment (the Articles of Incorporation were filed December 28, 1944), the trustees have been responsible for allocating the funds to the best uses for which the late Mrs. Pardee intended them.

The Foundation does not directly administer the programs which it supports. The recipients are asked to submit yearly progress reports and a financial accounting concerning the expenditures of the research grant.

Grants are limited under the terms of the charter to the cure and control of cancer, and in general do not provide for building funds, equipment (except that used in a specific project), fellowships or fund-raising campaign contributions.

The Elsa U. Pardee Foundation provides support for research directed toward the detection, treatment, and cure of cancer. Priority is given to researchers at non-profit institutions in the United States who are new to the field of cancer research, or to established research investigators examining new approaches to cancer cure.

An attempt is made to initiate several new projects each year, as other projects are concluded. The Foundation particularly welcomes innovative, small-scale, short-term projects which may be difficult to fund elsewhere until some interesting results are obtained.

Elsa U. Pardee Foundation
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Midland, Michigan 48641-2767

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Website: www.pardeefoundation.org